



Teaknet Bulletin

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Editorial

Welcome to another edition of *TEAKNET Bulletin*.

In this combined issue, we are happy to bring you a brief report of the Project Formulation Workshop held in Guayaquil, Ecuador during 9-11th May on "*Sustainable management and conservation of teak genetic resources*" sponsored by IUFRO-SPDC in collaboration with TEAKNET and FAO of the United Nations. The Workshop was attended by invited delegates from African and Latin American countries.

The 3rd World Teak Conference 2015 held successfully in Guayaquil, Ecuador during 11-15 May, attracted the attention of teak enthusiasts from 35 countries across the world, the highlights of which is presented in the bulletin. The active involvement and interest of the government of Ecuador in the conference with the presence of three Ministers in the Opening Ceremony, was well appreciated. The conference was jointly organised by TEAKNET in collaboration with ASOTECA, FAO, IUFRO and the event organiser, SAMBITO, Guayaquil. Readers are requested to visit the webpage of TEAKNET www.teaknet.org for a detailed report of the conference. The Steering Committee meeting of TEAKNET was also held in conjunction with World Teak Conference.

A new publication on *Planted teak: global production and markets with reference to Solomon Islands* by ACIAR, Australia, a preface of which is given in the bulletin. In addition, market price of plantation teak imported to India in C & F basis is reproduced for the benefit of readers based on the latest ITTO's MIS report.

We welcome your valuable contributions of news items of interest to teak growers/traders and researchers through our e-Newsletter.

I wish you enjoyable reading.

P.K. Thulasidas
TEAKNET Coordinator



IUFRO FAO TEAKNET

Project Formulation Workshop

Sustainable Management and Genetic Conservation of Planted Teak Resources

10-11 May 2015
Hilton Colon, Guayaquil, Ecuador

IUFRO in cooperation with FAO of the United Nations and TEAKNET organized a 2-day pre-conference workshop, prior to the World Teak Conference 2015, in Guayaquil, Ecuador on '*Sustainable Management and Genetic Conservation of Planted Teak Resources*'. The workshop was attended by 17 invited participants from 9 African and Latin American countries.

The major objectives of the workshop were:

- ✦ to support the formation of a professional network of teak researchers from African and Latin American countries,
- ✦ to deliver the data and information needed to formulate a project proposal and
- ✦ to develop a draft project proposal suitable for submission to international donor agencies for funding.

The workshop was sponsored by IUFRO under the Special Programme for Development of Capacities (IUFRO-SPDC) and moderated by SPDC Coordinator, Dr. Michael Kleine of IUFRO Headquarters, Vienna; Walter Kollert of FAO of the United Nations, Rome and Lars Graudal of the University of Copenhagen, Denmark. The project aims at developing capacity building for the sustainable management and genetic conservation of planted teak resources in the participating African and Latin American countries. A similar project formulation workshop was conducted in Bangkok during May 2014 for the benefit of natural teak growing countries in which 9 countries from the Asian region participated. FAO and IUFRO-SPDC agreed to jointly formulate the project proposal. Once realized, TEAKNET will facilitate implementation of the project in the respective countries in the region.



Participants of the Project Formulation Workshop

List of Participants

| | | |
|---|--|---|
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Report by PK Thulasidas, TEAKNET Coordinator

The 3rd World Teak Conference 2015- "*Strengthening Global Teak Resources and Markets for Sustainable Development*" held at Hotel Hilton Colon, Guayaquil, Ecuador from 11-15 May 2015 brought together a wide range of people concerned with teak cultivation and management, trading, investment and research. The Conference was jointly organized by Asociación Ecuatoriana de Productores de Teca y Maderas Tropicales (ASOTECA), FAO of the United Nations, TEAKNET, the Teakwood Working Party of the International Union of Forest Research Organizations (IUFRO Div 5.06.02) and the event organizer Soluciones Ambientales Totales (SAMBITO), Guayaquil. The WTC 2015 focused mainly on economic, social, technical and environmental issues that have an impact on the production, marketing and trade of teakwood. The Conference comprised of 4 thematic plenary sessions and two field excursions to the Hacienda la Danesa and the town of El Empalme, one of Ecuador's largest teak plantation areas. The Conference had organized 44 Ecuadorian and international exhibition stands displaying products and services related to the global teak market, suppliers of seeds and inputs, logistics, transportation, developers, manufacturers and marketing experts. Previous World Teak Conferences were held in Costa Rica (2011) and Thailand (2013).

Teak makes only a small proportion of world timber production and trade. However, it has become a major component of the forest economies of many tropical countries. Planted teak forests have attracted large investments from the private sector in Africa, Asia and Latin America. Globally, teak constitutes the only valuable hardwood resource that is increasing in terms of area. It is in this context that the conference focused on the major four themes.

Session 1: Economics, investments and trade

Session 2: Genetics, tree improvement, silviculture and wood quality

Session 3: Management models for different value chains, including smallholder forestry

Session 4: Teak plantation management and environmental protection

The above topics were discussed in the first three days of the conference. The Opening Ceremony on 12th May at 9.00 am was marked by the gracious presence of three Ministers of the Republic of Ecuador; Ms. Lorena Tapia, Minister of Environment (MAE), Mr. Eduardo Egas, Minister for Industry and Productivity (MIPRO) and Mr. Javier Ponce, Minister for Agriculture (MAGAP) besides Ms. Maria Soledad Barrera, the President of the National Finance Corporation (CFN). The conference was formally inaugurated by Mr. Antonio Pino, the President of ASOTECA and Conference Chair. In the felicitation address, the three Ministers spoke on the various financial incentives/subsidies provided by the government of Ecuador in the agriculture/industry and in the forestry sector including support for reforestation/establishment of commercial plantations, including teak, etc. It is estimated that today, more than 1200 teak plantations covering an area of approx. 46,000 ha exists in Ecuador. The annual export of round logs and sawn timber to mainly Asian countries amounts to approx. 150,000 m³.



Mr. Antonio Pino, Conference Chair inaugurates WTC 2015



Ms. Lorena Tapia, Minister for Environment delivers felicitation address in the Opening ceremony

A total of 341 registered delegates from 35 countries representing the 5 continents attended the Symposium to share knowledge and experience and to exchange ideas on the multiple economic, social and environmental benefits that teak resources can provide. The participants represented government institutions, the private sector, universities, research institutes, international and non-governmental organizations. About 30 Oral papers and an equal number of Posters were presented under the four major themes. The general keynote address was delivered by Mr. Darshan Raiyani, OLAM International Ltd., Singapore. Each session started with a thematic keynote in the topic of discussions.



General Keynote by Darshan Raiyani



Dr. Walter Kollert, FAO presenting the Summary Report

In the Closing ceremony on 14th evening, a Summary Report of the conference based on the deliberations on the various topics discussed during the conference was presented by Dr. Walter Kollert of FAO, Rome on behalf of the Organizing Committee. Among the major recommendations, the stakeholders of the international teak community called upon to establish a Global Teak Alliance in order to develop joint marketing strategies, share best practices, establish economic data bank, undertake lobbying and joint fund raising, and organizing trade fairs. The commitment to research and development was identified as being critical to advance the sustainable management of planted teak forests in particular with regards to clonal propagation, the susceptibility to pests and diseases and the impact of planted teak forests on the environment. The international teak community is requested to develop internationally accepted quality standards for teak logs, standardized measuring units and uniform log grading rules in order to facilitate international teak trade and promote opportunities for wood processing along the value chain. TEAKNET was identified as a global teak information network that supports knowledge transfer to stakeholders at a global level. The detailed Summary Report is available at TEAKNET website www.teaknet.org

The closing remark was delivered by Dr. Tetra Yanuariadi on behalf of International Tropical Timber Organization (ITTO), Japan. Dr. Tetra highlighted the importance of promoting the international trade of tropical timber and timber products, including teak wood and the sustainable management of the resource base from where it originates. Mr. Pablo Noboa, Forestry Secretary of the Ministry of Agriculture, Ecuador was special invitee to the closing ceremony.

The conference was officially declared closed by Mr. Lars Graudal, Chairman of TEAKNET. He expressed special thanks to the local organisers for their high spirits and efforts to make the event successful. Lars also thanked all those who contributed to the successful organization of WTC 2015 with the hope to meet again in the next World Teak Conference.



Closing remarks by Dr. Tetra Yanuariadi, ITTO, Japan



Official closing of WTC 2015 by Lars Graudal

At the end of the closing ceremony, an Ecuadorian traditional music and dance form of mountains and the coast was performed by a cultural group from ESPOL University.

The accompanying persons programme and post-conference tour options for delegates was arranged by the organizers on 15th May, the last day of the conference. The field visit options were

1. LA DANESA FARM: a high end Teak production and Agrotourism farm and
2. EL EMPALME: Ecuador's largest teak plantation area and primary teak log collection and sawmilling center situated in northern Ecuador

The conference materials like Book of Abstracts, Presentations and List of Participants of the conference is available at the

TEAKNET webpage www.teaknet.org/reports and Conference website www.worldteakconference.com



Sponsors and Organizers during the closing ceremony

PHOTO GALLERY



Felicitations address by Mr. Eduardo Egas, Minister of Industry & Productivity (left) and Mr. Javier Ponce, Minister of Agriculture, Ecuador (right)



View of the august gathering



Dr. Michael Kleine, IUFRO during the Welcome Cocktail



TEAKNET/FAO Expo



View of Exhibition stands



Conference participants planting teak saplings



Traditional music and dance performance



Delegates in the field trip to LA DANESA FARM- Agrotourism farm



Delegates in the field trip to EL EMPALME- A primary teak log collection and sawmilling center

(Photo courtesy: SAMBITO, Guayaquil)

Steering Committee Meeting of TEAKNET

TEAKNET Steering Committee Meeting was held on 13 May 2015 during WTC 2015 at Hotel Hilton Colon, Guayaquil, Ecuador. The meeting was chaired by Lars Graudal, Chairman of TEAKNET and he reviewed the overall performance of TEAKNET Secretariat. Lars welcomed Dr. Tetra Yanuariadi from ITTO and Mr. Kenichi Shono, FAO-RAP, the new members. The overall activity of TEAKNET Secretariat after the World Teak Conference 2013 in Bangkok was briefed by P.K. Thulasidas, TEAKNET Coordinator. He expressed his gratitude to FAO-RAP for the continued financial support for the Secretarial activities and participation of Secretariat personnel in the conference.

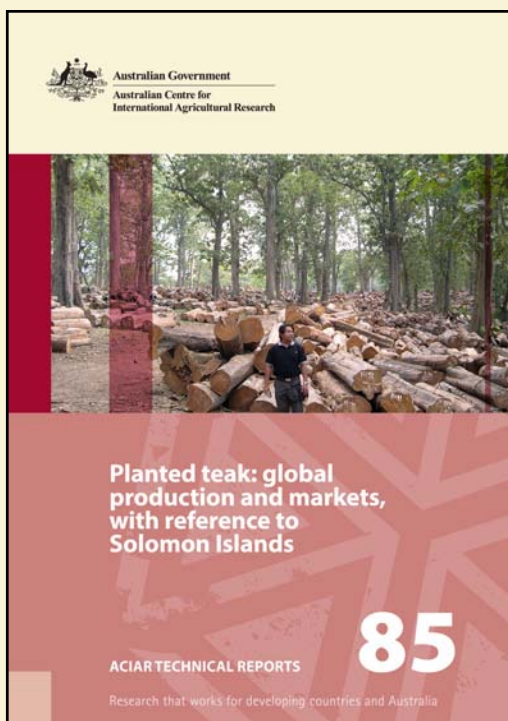
The Steering Committee meeting was held after a gap of 2 years, the last one was held in Bangkok during WTC 2013. While four Steering Committee Members could not attend the meeting, the following members participated.

Lars Graudal – Chairman, TEAKNET
Walter Kollert - FAO, Rome
Hugh Brown - Ghana Forestry Commission, Ghana
Tetra Yanuariadi - ITTO, Japan
Thulasidas, PK – TEAKNET Coordinator
Sreelakshmy, MP – TEAKNET Secretary



TEAKNET Steering Committee Members during the meeting

Planted teak: global production and markets, with reference to Solomon Islands



Authors: Stephen Midgley, R.T. Somaiya, P.R. Stevens, Alan Brown, Nguyen Duc Kien and Richard Laity

This publication has been done as part of the Pacific Agribusiness Research for Development Initiative (PARDI). Funded by Australian Centre for International Agricultural Research (ACIAR) and managed through the University of Queensland, PARDI seeks to create sustainable livelihood development outcomes for the South Pacific forestry, fisheries and crop-based sectors through research related to improving value chains. The study of teak markets was conducted under the PARDI project entitled 'Development of a market mechanism for teak and other high-value timber in the Western Province of Solomon Islands'.

The report provides a comprehensive analysis of the markets for teak in India, China, Vietnam and Thailand, which collectively dominate the global market for teak timber. Understanding the nature of these markets and the specific characteristics of each country, including the way timber is measured and traded, is important in terms of assisting teak sellers to access these markets. The report also presents a good understanding of the planted teak resource in Solomon Islands, as well as the costs of getting logs from a farm to the port, and the opportunities for improvements in the teak value chain.

The report is available in TEAKNET webpage, www.teaknet.org

Price of Plantation Teak Imported to India

| Country of Origin Logs | US\$ per cu.m C & F |
|---------------------------|---------------------|
| Belize | 350-400 |
| Benin | 318-775 |
| Brazil | 404-1063 |
| Cameroon | 331-510 |
| Colombia | 224-836 |
| Congo | 408-710 |
| Costa Rica | 404-739 |
| Côte d'Ivoire | 435-720 |
| El-Salvador | 364-934 |
| Ghana | 255-808 |
| Guatemala | 308-603 |
| Guyana | 300-450 |
| Kenya | 515-600 |
| Laos | 300-605 |
| Liberia | 350-460 |

| | |
|---------------------|---------|
| Malaysian | 363-525 |
| Nicaragua | 350-596 |
| Panama | 358-923 |
| PNG | 455-575 |
| Sudan | 404-970 |
| Thailand | 451-700 |
| Togo | 232-803 |
| Trinidad and Tobago | 420-680 |
| Uganda | 426-909 |
| Sawn wood / Squares | |
| Benin sawn | 530-872 |
| Tanzania sawn | 307-885 |
| Uganda sawn | 680-900 |
| Brazil squares | 370-680 |
| Ecuador squares | 253-740 |
| Nigeria squares | 382-450 |

Variations are based on quality, lengths of logs and the average girth.

Courtesy: ITTO TTM Report 19(13): 1-15 July 2015

Editorial Committee

Dr. P.K. Thulasidas
 Dr. Mammen Chundamannil
 Dr. E. M. Muralidharan and
 Dr. S. Sandeep

Teaknet Bulletin is a quarterly electronic newsletter of TEAKNET brought out through its website. It is intended for circulation among the members of TEAKNET and other stakeholders of global teak sector. The views expressed in the newsletter are those of the authors and do not necessarily reflect the views of the organization. The readers are welcome to express their opinions or pass on information of value to teak growers, traders, researchers or others concerned with teak. However, TEAKNET reserves the right to choose the contributions for publishing and also to make necessary editorial modifications in the articles in consultation with the authors.

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